REMARKS

Reconsideration of the application is respectfully requested for the following reasons:

1.   Amendments to Claims

Claims 1 and 8 have been amended to clarify that the claimed involves not only policy decision distribution, which is carried out upon the occurrence of a "triggering condition," but also two kinds of policy re-evaluations (or evaluations), namely (I) **scheduled re-evaluation** and (ii) **continuous re-evaluation**, the former occurring in response to demand and resources and the latter occurring continuously based on *changes in passive conditions*. This was originally recited in claim 11.

The two kinds of policy re-evaluation, which occur on a group basis, are described in **paragraph [19] on page 8 of the original specification**, in parts "b)" and "c)." The Examiner will note that the two kinds of policy re-evaluation, as described on page 8, are carried out together with policy aggregation, by the "policy pre-computation module." On the other hand, policy decisions are distributed in response to the event triggering mechanism, which detects trigger conditions, and a policy decision distribution mechanism that distributes, in response to detection of the triggering condition by the event triggering mechanism, the corresponding "policy decision" determined during policy evaluation or re-evaluation by the "policy pre-computation mechanism."

Because the amendments are fully supported by the specification as originally filed, it is respectfully submitted that they do not involve "new matter."

2.   Rejection of Claims 1, 2, and 4-19 Under 35 USC §103(a) in view of U.S. Patent Nos. 5,696,486 (Poliquin) and 6,816,903 (Rakoshitz)

This rejection is respectfully traversed on the grounds that the Poliquin and Rakoshitz patents, whether considered individually or in any reasonable combination, fail to disclose or

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suggest the claimed pre-computation module which not only evaluates policies on a priority basis as necessitated by demand and resources, but also continuously evaluates policies based on "passive conditions" associated with policy equivalency classes, the "passive conditions" being distinguished from respective "triggering conditions" also associated with the policy equivalency classes and which are used as the basis for issuing policy decisions established according to the dual evaluation/re-evaluation scheme.

According to the Examiner, the claimed "pre-computation module," "scheduler," "triggering module," "policy decision distribution mechanism," and "policy repository" are all disclosed by Poliquin, with the Rakoshitz patent teaching modification of Poliquin's scheduler to take into account demand and available resources. While the Applicant does not agree that Poliquin in fact discloses each of the claimed modules and mechanisms, or that Rakoshitz would have suggested modification of the scheduler of Poliquin to take into account demand and resources as alleged by the Examiner, the claimed invention in any case does much more than just schedule policy evaluations based on demands for policy equivalency classes and/or available resources, and issue decisions based on triggering conditions. Instead, the claimed invention specifically provides a policy pre-computation module and method steps that:

- classify conditions of each policy type into one triggering and one or more passive conditions;
- schedule prioritized policy evaluations based on demands and available resources;
- continuously evaluate policies based on changes related to all passive conditions; and
- issue a policy decision associated with a particular triggering condition based detection of the triggering condition.

Essentially, the original claims recited issuing policy decisions in response to triggering conditions, and priority-based evaluation of the policies that result in the policy decisions. The rejection is on the basis of the original claims (with minor amendments to overcome a Section 112 rejection). These claims have now been amended to recite both priority-based evaluation, in response to demand/resources, and also re-evaluation (or evaluation) on continuous basis in

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response to changes in "passive conditions." Moreover, the claims now recite that classification of policy-related conditions into "passive" and "triggering" conditions, and in particular that each policy equivalency class is associated with a triggering condition and at least one passive condition (there likely will be multiple such passive conditions). This scheme of having a policy pre-computation mechanism associate policy decisions with triggering conditions, and of evaluating the policies that result in association of particular policy decisions with triggering conditions to form policy equivalency classes based on demand/resources or changes in "passive conditions," allows quick decisions to be made while still offering the ability to re-evaluate policies in a timely manner to ensure that the decisions are not only quick, but accurate. In other words, it is this duality between passive and triggering conditions, and continuous and prioritized evaluation, that enables the invention to issue policy decisions in a more timely and yet accurate manner. The Poliquin and Rakoshitz patents do not even remotely disclose the claimed pre-computation mechanism or the manner in which policies are evaluated and decisions issued. Consequently, withdrawal of the rejection of claims 1, 2, and 4-19 under 35 USC §103(a) is accordingly requested.

Having thus overcome each of the rejections made in the Official Action, withdrawal of the rejections and expedited passage of the application to issue is requested.

Respectfully submitted,

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